

TRACTOR SUPPLY Co.

July 21, 2022

Supplemental Financial Presentation

Q2 2022

SAFE HARBOR

The Company claims the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

The information in this presentation contains certain forward-looking statements. These statements discuss, among other things, expectations with respect to sales, comparable store sales growth, operating margin net income, diluted earnings per share and capital expenditures. These forward-looking statements are based on estimates, projections, beliefs and assumptions, including, without limitation, assumptions with respect to capital expenses, expenses, including depreciation expense, debt, payment of dividends, the timing and amount of stock repurchases, and tax rates. These forward-looking statements may also be affected by risks or uncertainties including, but not limited to, the effects of the COVID-19 pandemic, disruptions in the supply chain, including the cost and availability of products, competition, product demand, economic conditions, the ability to open new stores, the effectiveness of merchandising and marketing initiatives, the ability to realize operational efficiencies, inflation, consumer debt levels, governmental approvals, ability to hire and retain qualified employees, weather, the imposition of tariffs on imported products, etc. The Company intends these forward-looking statements to speak only as of the time of the presentation and does not undertake any obligation to update or revise them after the date hereof or as more information becomes available, except as required by law.

Actual results may differ materially from anticipated results described in these forward-looking statements. As a result, all of the forward-looking statements made are qualified by these cautionary statements and those contained in the Risk Factors section of the Company's Annual Report for the fiscal year ended December 25, 2021, as filed with the Securities and Exchange.













THANK YOU
TEAM TRACTOR!





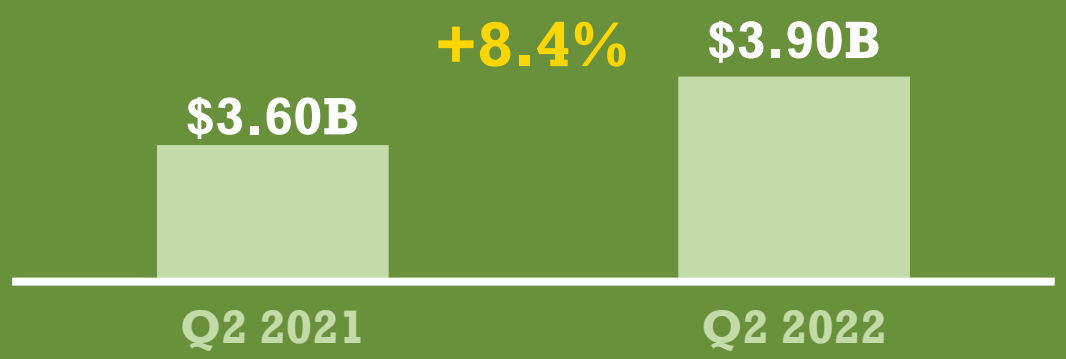





Q2 2022 Performance

Strong Sales Growth

Net Sales Growth



Comp Sales Growth



HIGHLIGHTS

Record Level Sales and Earnings Performance

Average Ticket Up 7.5%

Customer Transactions Down 2.0%

Largest E-Commerce Quarter in Net Sales in Company History

Broad-based Market Share Gains

Q2 2022 Performance

Broad-Based Strength in Customer Trends

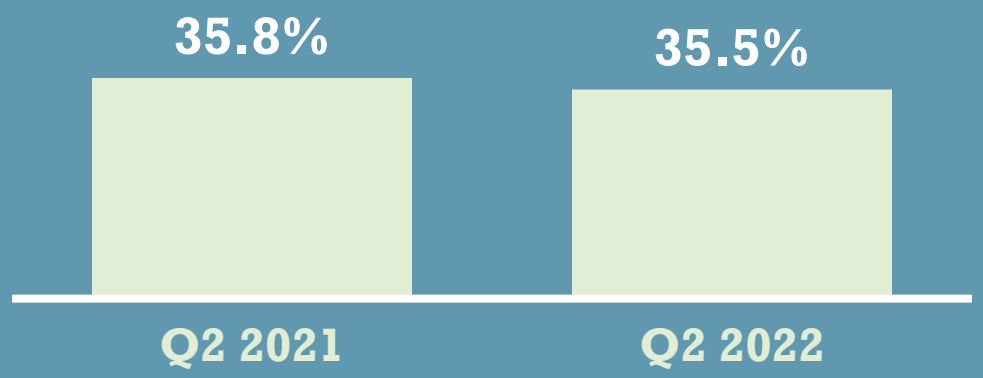


Q2 2022 Performance

GROSS MARGIN

as a % of net sales

-24 bps Decrease



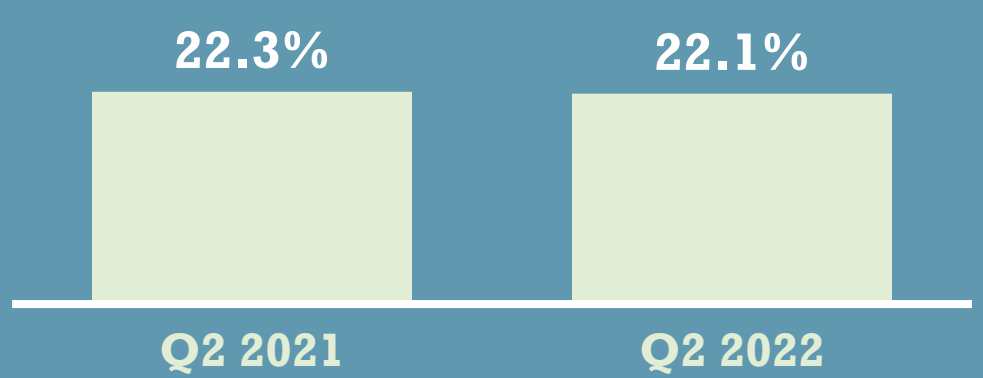
Key Drivers

- Strong Price Management Actions
- Significant Product Cost Inflation Pressures
- Higher Transportation Costs
- Product Mix from the Robust Growth of C.U.E. Products

SG&A EXPENSES

as a % of net sales

+19 bps Improvement



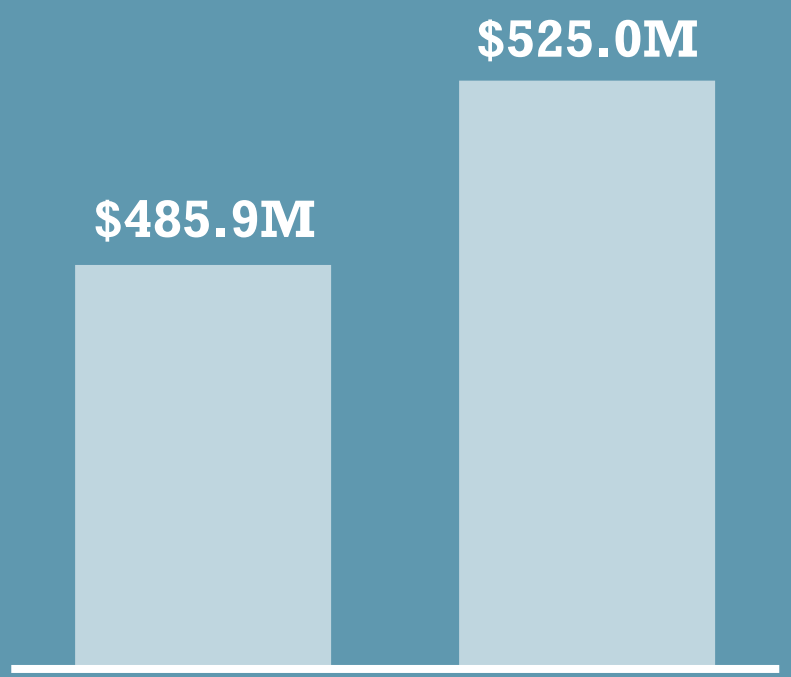
Key Drivers

- More Normalized Incentive Compensation
- Moderation of COVID-19 Response Costs
- Leverage in Occupancy and Other Costs
- Partially Offset by Investments in Store Wages and Strategic Growth Initiatives

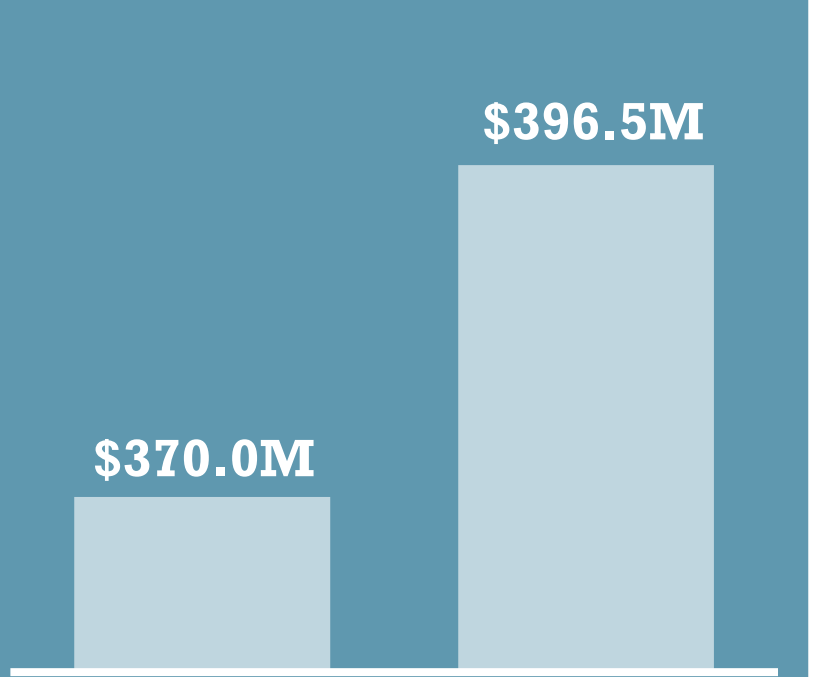
Q2 2022 Performance

Profitability

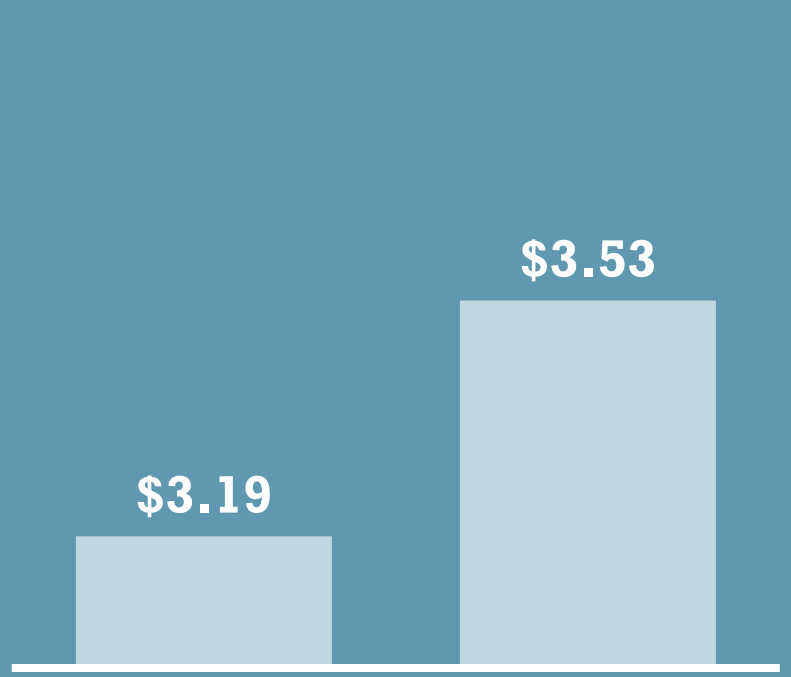
Operating Income
+8.1%



Net Income
+7.1%



Diluted EPS
+10.7%




Updated Full-Year
2022
Outlook
Net Sales
$13.95B to $14.05B
Comparable Store Sales
+5.2% to +5.8%
Operating Margin Rate
~10.2%
Net Income
$1.065B to $1.085B
Diluted Earnings Per Share
$9.48 to $9.60
Capital Expenditures
$650M to $700M

ESG Updates

Commemorated Earth Week

Over $630k Donated to DE&I Organizations Year-to-Date

Great Place to Work Certified® for Third Consecutive Year

STEWARDS OF LIFE OUT HERE

TSC TRACTOR SUPPLY CO FOUNDATION

Great Place To Work® Certified 2021 USA ™

BEST PLACES TO WORK NASHVILLE BUSINESS JOURNAL

TOP WORK PLACES

LIFE Out HERE STRATEGY

We are committed to being an integral part of our customers' lives as the dependable supplier of Out Here Lifestyle solutions.

Anytime • Anywhere • Anyway

TSC TRACTOR SUPPLY CO®



Deliver Legendary Customer Experiences



Advance Our ONETractor Capabilities



Operate the Tractor Way



Go the Country Mile for Our Team



Generate Healthy Shareholder Return


TSC
TRACTOR®
SUPPLY CO
FOR LIFE OUT HERE®